

October 7, 1948

W.C.  
J. M. Foote, Supervisor  
Arizona Fruit & Vegetable Standardization  
Service  
606 Security Building  
Phoenix, Arizona

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**ARIZONA ATTORNEY GENERAL**

Dear Mr. Foote:

In response to your oral request of this date I am making the following suggestions for findings and decision in the Singh & Wood Farms matter:

"A REVIEW OF THE EVIDENCE TAKEN AT THE HEARINGS IN THE OFFICE OF THE ATTORNEY GENERAL JUNE 21, 1948, AND AUGUST 6, 1948, DISCLOSES THE FOLLOWING IMPROPER PRACTICES IN PROCEDURES INDULGED IN BY RALA SINGH AND JOE WOOD, DOING BUSINESS AS SINGH & WOOD FARMS, IN RELATION TO THE HARVESTING, PACKING AND SHIPPING OF THE BIRD (1947) FALL LETTUCE DEAL AND THE KAMATSU (1947) CABBAGE;

AN ALMOST COMPLETE FAILURE TO COMPLY WITH THE PROVISIONS OF SECTION 10a (c) OF THE ARIZONA FRUIT AND VEGETABLE STANDARDIZATION ACT RELATING TO KEEPING OF PROPER RECORDS, CONSISTING OF:

1. Failure to issue growers' receipts to the growers, based on field records;
2. Failure to keep adequate records of produce received at the packing shed from the field;
3. Laxness in checking and keeping haulers' receipts;
4. Failure to keep shed records of receipts and sales by a system which would accurately disclose the status of accounts between the grower and shipper.

VIOLATION OF THE FRUIT AND VEGETABLE STANDARDIZATION ACT (49-1013 (b) A.C.A., 1939) BY FAILURE TO PROMPTLY AND ACCURATELY ACCOUNT TO THE GROWERS, AS PROVIDED BY LAW, CONSISTING OF:

1. Failure to distribute shortages

J. M. Foote, Supervisor  
Arizona Fruit & Vegetable  
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Page two  
October 7, 1948

equally between Singh & Wood  
Farms and Bird, and the charging  
of Bird with the total shortage;

2. Delay in rendering accounting;
3. Failure in the first instance to  
account for rerouting loads to  
secondary destinations;
4. Erroneous accounting due to lack  
of adequate records.

While there is not a distinct pattern or course of  
conduct carried out throughout the proceedings or in bookkeep-  
ing entries of the respondents in this case which would show  
intended fraud, the negligence in handling the business affairs  
of their operations, particularly the bookkeeping, is such as  
to amount almost to criminal negligence. Such operation and  
such lax conduct of business is that which is intended by the  
statute to be regulated and overcome in order that the good  
reputation of the industry be protected and the improper deal-  
ing by licensees may not become a burden upon the industry.

If such conduct were permitted to continue within the  
industry, the industry itself would soon be in such bad  
repute with the public and with growers and shippers that  
it would not be allowed to continue as such.

It is plain to see that such operations as those carried  
on in the 'deals' under investigation cannot be tolerated as  
a continued matter. Severe criticism and reprimand is due  
these licensees and warning is hereby issued that a repetition  
of this conduct will result in a rejection of the license and  
a refusal to allow operation in accordance with the penal  
provisions of the law."

The foregoing suggestions are made with the view of  
lining these licensees up with good practices in the industry  
and as provided by the law and with giving them a warning  
which will serve as a basis for revoking their license if  
further laxity along the lines referred to should occur at  
a future date.

Respectfully submitted,

EVO De CONCINI  
Attorney General

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FRED O. WILSON  
Assistant Attorney General

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